

National Guard Youth ChalleNGe Program

AREA OF INTEREST: At – Risk High School Dropout Youth Program

FY06 UFR: \$6.5M To increase the cost share ratio to 75/25 and increase the per capita cost per student.

APPN: 0100

DESCRIPTION: The National Guard Youth ChalleNGe Program is a community based program that leads, trains, and mentors at-risk youth so they may become productive, employed, and law-abiding citizens in America's future. This award-winning program has been recognized as one of the Nation's most effective and cost efficient programs for targeting youth who are at the greatest risk for substance abuse, teen pregnancy, delinquency, and involvement in criminal activities.

ISSUE JUSTIFICATION: Since 1993, the program has graduated over 55,800 youths—97% of those who enrolled. Of those graduated, 73% earned their GED or high school diploma and performed over 600,000 hours of service to communities. Approximately 55% continued their education, 25% enlisted in the military, while 20% found employment. The Youth ChalleNGe Program is the lowest cost per capita of similar intervention programs--\$14,000 per student compared to \$46,000 for incarceration and \$21,500 for Job Corps. In addition it is the most cost effective program of its kind, saving taxpayers at least three dollars for every dollar spent. In just one year, Youth ChalleNGe saves \$175M in juvenile corrections costs.

FUNDING IMPACT: The program is currently funded at a cost of \$14K per student; an amount that has not increased since the inception of the program in 1993. The resultant loss of buying power has cut critical staff, reduced services to students and is placing some programs at a break point. This has translated into reduction or elimination of stipends, cancellation of off-site trips, and reduction of other key events that support the eight core components of the program. It should be noted that today \$14,000 has the equivalent buying power of \$11,000 in 1993 dollars. In 2004 dollars, that same \$14,000 is equal to \$18,000.

The Youth ChalleNGe Program is the only at-risk youth program that requires a Federal/State cost sharing arrangement. All other programs such as Head Start, Youthbuild, National Civilian Community Corps, and Job Corps are 100% federally funded. Even DoD fully funds family service programs to address its at-risk DoD dependents. For other National Guard programs where a Federal/State ratio is mandated, such as construction, base operations, fire protection services, etc. that cost sharing ratio is 75/25. The Youth ChalleNGe Program should be given the same consideration.

There is a nationwide demand for this program and for its expansion in the states where a program currently exists. Due to space availability, less than 40% of the youth who applied for admission to one of the programs could be accepted. In 2004, over 18,100 youths applied for the program, but only 7,461 were funded. Sixteen states and territories are on a waiting list for federal funding, and eight of the existing states want to add at least one additional program.

Recommend that an additional funding of \$10 million be added to the FY06 Civil Military Program line in the Operations and Maintenance Defense Wide account to increase the per capita cost per student from \$14,000 to \$16,000. That the federal cost share ratio be increased five percent per year for the next three years from 60/40 to 75/25 and the supporting funding (\$6.5M) be added each year.